

Minneapolis Community Development Agency

## Request for City Council Action

Date: March 4, 2003

To: Council Member Lisa Goodman, Community Development Committee  
Council Member Barbara Johnson, Ways and Means/Budget Committee

Refer to: MCDA Board of Commissioners

Prepared by: Beverly A. Wilson and Judy Cedar

Presented by: Judy Cedar, Project Coordinator, Phone 612-673-5025

Approved by: Lee Sheehy, MCDA Executive Director  
Chuck Lutz, MCDA Deputy Executive Director \_\_\_\_\_

**Subject: Public Hearing and Adoption of Resolution Related to Modification No. 5 to the West Broadway Redevelopment Plan; and Modification No. 94 to the Common Plans**

**Previous Directives:** Not Applicable.

**Ward:** 5

**Neighborhood Group Notification:** West Broadway Area Coalition; Northside Residents Redevelopment Council

**Consistency with *Building a City That Works*:** Not Applicable.

**Comprehensive Plan Compliance:** Not Applicable.

**Zoning Code Compliance:** Not Applicable.

**Impact on MCDA Budget:** (Check those that apply) Not Applicable.

- ☒ No financial impact
- ☐ Action requires an appropriation increase to the MCDA Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):

**Living Wage / Business Subsidy:** Not Applicable.

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**Job Linkage:** Not Applicable.

**Affirmative Action Compliance:** Not Applicable.

**City Council Recommendation:** The Deputy Executive Director recommends adoption and approval of Modification No. 5 to the West Broadway Redevelopment Plan and Modification No. 94 to the Common Plans.

**MCDA Board Recommendation:** The Deputy Executive Director recommends the adoption and approval of Modification No. 5 to the West Broadway Redevelopment Plan and Modification No. 94 to the Common Plans.

### **Background/Supporting Information**

In response to the Agency's Request for Proposals, a developer has been evaluating the potential reuse of property located at 1101 West Broadway as retail and commercial-office lease space. The proposed redevelopment site actually combines three distinct parcels of land, commonly known as 1101 West Broadway (tax forfeit in 1992), 1105 West Broadway and 1827 Emerson Avenue North (used for parking lot). 1101 West Broadway and 1827 Emerson Avenue North are under MCDA ownership. The other parcel, a one story building at 1105 West Broadway, is currently under private ownership. The developer has indicated a willingness to make best efforts to make lease space available in the new development to the business currently located in the building at 1105 West Broadway. The purchase of 1105 West Broadway will facilitate the proposed development by allowing for a new driveway and a new entrance plaza (that incorporates landscaping, canopy overhangs, lighting, and outdoor seating).

These Modifications designate a parcel within the West Broadway Project Area as Property That May Be Acquired. Because the West Broadway Redevelopment Plan is located within the Common Project, a modification to those documents has also been prepared.

**Adopting Modification No 5 to the West Broadway Redevelopment Plan, and Modification No 94 to the Common Plans, to reflect Property That May Be Acquired**

**RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:**

**Section 1.     Recitals.**

- 1.1. That the Minneapolis Community Development Agency (the “Agency”) is the Housing and Redevelopment Authority in and for the City of Minneapolis (the “City”) with the authority to propose and implement redevelopment projects and tax increment financing districts, among other things, all pursuant to Minnesota Statutes, Sections 469.001 through 469.047, 469.124 through 469.134, and 469.174 through 469.179 as amended; Laws of Minnesota 1971, Chapter 677, as amended; Laws of Minnesota 1980, Chapter 595, as amended; and Minnesota Code of Ordinances, Chapter 422 (the “Laws”).
- 1.2. That by Resolution No 89R-530 duly adopted December 15, 1989, and approved December 21, 1989, the City of Minneapolis has approved the creation by the Agency of the Common Development and Redevelopment Project (the “Common Project Area”) and the adoption of the Common Development and Redevelopment Plan and the Common Tax Increment Financing Plan (the Common Plans”) relating thereto, all pursuant to the Laws.
- 1.3. It has been proposed that the Agency modify the West Broadway Redevelopment Plan and the Commons Plans to identify property to be acquired within the West Broadway Redevelopment Project, all pursuant to and in accordance with the Laws.
- 1.4. The Agency has prepared, and this City Council (the “Council”) has investigated the facts with respect thereto, a proposed Modification No 5 to the West Broadway Redevelopment Plan and related Modification No 94 to the Common Plans (the “Modifications”) which Modifications designate a parcel located within the West Broadway Project Area as Property That May Be Acquired, all pursuant to and in accordance with the Laws.
- 1.5. The Agency and the Council have performed all actions required by law to be performed prior to the adoption of the Modifications, including, but not

limited to, a review of the proposed Modifications by the affected neighborhood groups and the Planning Commission, transmittal of the proposed Modifications to the Hennepin County Board of Commissioners and the School Board of Special School District No 1 for their review and comment, and the holding of a public hearing after published and mailed notice as required by law.

- 1.6. The Council hereby determines that it is necessary and in the best interest of the City at this time to approve the Modifications to reflect the acquisition of property within the West Broadway Redevelopment Project.

## **Section 2. Findings for the Adoption of the Modifications.**

- 2.1. The Council hereby finds, determines and declares that the Modifications will afford maximum opportunity, consistent with the needs of the City as a whole, for the redevelopment of the Project Area by private enterprise.
- 2.2. The Council further finds, determines and declares that the Modifications conform to the general plan for the development or redevelopment of the City as a whole. Written comments of the Planning Commission with respect to the Modifications were issued, are incorporated herein by reference, and are on file in the office of the City Clerk.
- 2.3. The Council further finds, determines and reaffirms all previous findings with respect to the West Broadway Redevelopment Plan.
- 2.4. The Council further finds, determines and declares that it is necessary and in the best interests of the City at this time to approve the Modifications.

## **Section 3. Approval of the Modifications.**

- 3.1 Based upon the findings set forth in Section 2 hereof, the Modifications presented to the Council on this date are hereby approved and shall be placed on file in the office of the City Clerk.

**Section 4. Implementation of the Modifications.**

- 4.1. The officers and staff of the City and the Agency, and the City's and the Agency's consultants and counsel, are authorized and directed to proceed with the implementation of the Modifications, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further plans, modifications, resolutions, documents and contracts necessary for this purpose.
- 4.2. The staff of the City and the Agency are hereby directed to incorporate Modification No 94 into the Common Plans.

MINNEAPOLIS COMMUNITY  
DEVELOPMENT AGENCY

**Modification No. 5  
to the  
West Broadway Redevelopment Plan**

**and**

**Modification No. 94  
to the  
Common Development and  
Redevelopment and Common Tax  
Increment Finance Plan**

**January 31, 2003**

Prepared by Project Planning and Finance Department, MCDA  
105 5th Avenue South, Minneapolis, Minnesota 55401

MODIFICATION NO. 5  
TO THE  
WEST BROADWAY REDEVELOPMENT PLAN  
January 31, 2003

Original Plan	May 1, 1973
Modification No. 1	March 12, 1975; Rev. Oct. 25, 1975
Modification No. 2	July 10, 1980
Modification No. 3	December 16, 1988
Modification No. 4	March 22, 1991

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- A. Table of Contents
- B. Description of Project
  - 1. Boundaries of Redevelopment Project – No Change
  - 2. Project Boundary Map – No Change
  - 3. Objectives of the Redevelopment Plan – No Change
  - 4. Type of Redevelopment Activities – No Change
- C. Land Use Plan
  - 1. Land Use Map – No Change
  - 2. Land Use Provisions and Requirements – No Change
- D. Project Proposals
  - 1. Land Acquisition – **Changed**
  - 2. Rehabilitation – No Change
  - 3. Redevelopers' Obligations – No Change
- E. Relocation – No Change
- F. Official Action to Carry Out the Redevelopment Plan – No Change
- G. Procedure for Changes in Approved Redevelopment Plan – No Change

MODIFICATION NO. 5  
TO THE  
WEST BROADWAY REDEVELOPMENT PLAN  
January 31, 2003

## Introduction

In response to the Agency's Request for Proposals, a developer has been evaluating the potential reuse of property located at 1101 West Broadway as retail and commercial-office lease space. The proposed redevelopment site actually combines three distinct parcels of land, commonly known as 1101 West Broadway (tax forfeit in 1992), 1105 West Broadway and 1827 Emerson Avenue North (used for parking lot). 1101 West Broadway and 1827 Emerson Avenue North are under MCDA ownership. The other parcel, a one story building at 1105 West Broadway, is currently under private ownership. The developer has indicated a willingness to make best efforts to make lease space available in the new development to the business currently located in the building at 1105 West Broadway. The purchase of 1105 West Broadway will facilitate the proposed development by allowing for a new driveway and a new entrance plaza (that incorporates landscaping, canopy overhangs, lighting, and outdoor seating).

## D. Project Proposals

### 1. Land Acquisition – Changed

- a. Property Acquisition Map – Map 3, dated January 31, 2003, is attached.
- b. List of Property That May Be Acquired – Changed

By including in this Redevelopment Plan a list of Property That May Be Acquired, the Minneapolis Community Development Agency is signifying that it is interested in acquiring the property listed, subject to limitations imposed by availability of funds, developer interest, staging requirements, soil contamination and other financial and environmental considerations. Inclusion on this list does not indicate an absolute commitment on the part of the Agency to acquire a property.

The list of Property That May be Acquired is amended to include:

<u>Property Identification No.</u>	<u>Property Address</u>
16-029-24-13-0093	1105 W. Broadway

State law authorizes the Agency to acquire property either on a negotiated basis or through the use of its power of eminent domain, if necessary, to carry out a redevelopment plan. The Agency will seek to acquire property from willing sellers whenever possible, but may use its condemnation authority to acquire property identified as "property that may be acquired" only if the developer is unable to acquire the property or property interests therein directly.





**MODIFICATION NO. 94 TO THE  
COMMON DEVELOPMENT AND REDEVELOPMENT PLAN  
AND  
COMMON TAX INCREMENT FINANCING PLAN  
January 17, 2003**

**TABLE OF CONTENTS**

(This Table of Contents is not part of Modification No. 94 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan, and is only for convenience of reference.)

**SECTION A. COMMON DEVELOPMENT AND REDEVELOPMENT PLAN**

		<u>Impact of Mod. 94</u>
Subsection A.1.	Mission Statement	No Change
Subsection A.2.	Definitions	No Change
Subsection A.3.	Description of Public Purpose	No Change
Subsection A.4.	Objectives of Common Project	No Change
Subsection A.5.	Structuring of Common Project	No Change
Subsection A.6.	History of Establishment and Modifications of Projects and TIF Districts Included in Common Project Area	<b>Changed</b>
Subsection A.7.	Estimated Public Improvement Costs	No Change
Subsection A.8.	Boundaries of the Common Project Area	No Change
Subsection A.9.	Development Program Requirements	No Change
Subsection A.10.	Modifications to Common Development and Redevelopment Plan	No Change
Subsection A.11.	Neighborhood Revitalization Program	No Change

**SECTION B. COMMON TAX INCREMENT FINANCING PLAN**

Subsection B.1.	Summaries of Participating Tax Increment Financing Districts	No Change
Subsection B.2.	Boundaries of Participating Tax Increment Financing Districts	No Change

Subsection B.3.	Statement of Objectives and Development Program, Including Property that may be Acquired	<b>Changed</b>
Subsection B.4.	Properties to be Deleted From Participating Tax Increment Financing Districts	No Change
Subsection B.5.	Development Activity in Common Project For Which Contracts Have Been Signed and Other Specific Development Expected to Occur	No Change
Subsection B.6.	Description of Financing	No Change
Subsection B.7.	Estimated Impact on Other Taxing Jurisdictions	No Change
Subsection B.8.	Modifications to Common Tax Increment Financing Plan	No Change

#### List of Exhibits

Exhibit 1	Land Use Map – No Change
Exhibit 2	Property Acquisition Map – <b>Changed</b>
Exhibit 3	Project Area Report and Documentation of Blight – No Change
Exhibit 4	Feasibility Study and But For Analysis – No Change

**MODIFICATION NO. 94 TO THE  
COMMON DEVELOPMENT AND REDEVELOPMENT PLAN**

**MODIFICATION NO. 5 TO THE WEST BROADWAY REDEVELOPMENT PLAN**

January 31, 2003

**Introduction**

Modification No. 94 to the Common Development and Redevelopment Plan and Modification No. 5 to the West Broadway Redevelopment Plan identify one parcel to be acquired by the Minneapolis Community Development Agency to assist in assembling a site for a proposed reuse of property located at 1101 West Broadway as retail and commercial-office lease space.

In response to the Agency's Request for Proposals, a developer has been evaluating the potential reuse of property located at 1101 West Broadway as retail and commercial-office lease space. The proposed redevelopment site actually combines three distinct parcels of land, commonly known as 1101 West Broadway (tax forfeit in 1992), 1105 West Broadway and 1827 Emerson Avenue North (used for parking lot). 1101 West Broadway and 1827 Emerson Avenue North are under MCDA ownership. The other parcel, a one story building at 1105 West Broadway, is currently under private ownership. The developer has indicated a willingness to make best efforts to make lease space available in the new development to the business currently located in the building at 1105 West Broadway. The purchase of 1105 West Broadway will facilitate the proposed development by allowing for a new driveway and a new entrance plaza (that incorporates landscaping, canopy overhangs, lighting, and outdoor seating).

By reference, Modification No. 94 to the Common Plan and Modification No. 5 to the West Broadway Redevelopment Plan are Incorporated Documents to the Common Development and Redevelopment Plan.

**SECTION A. MODIFICATION NO. 94 TO THE COMMON DEVELOPMENT AND  
REDEVELOPMENT PLAN**

Subsection A. 6. History of Establishment and Modification of Underlying Project Areas and Tax Increment Financing Districts Included in Common Project Area - **Changed**

<b><i>Project/District</i></b>	<b><i>Plan Modification</i></b>	<b><i>Anticipated City Council Approval Date</i></b>	<b><i>Resolution Number</i></b>
West Broadway	Mod. No. 5	March 21, 2003	2003R-
Common Project	Mod. No. 94	March 21, 2003	2003R-

SECTION B. MODIFICATION NO. 94 TO THE COMMON TAX INCREMENT  
FINANCE PLAN (MODIFICATION NO. 5 TO THE WEST BROADWAY  
REDEVELOPMENT PLAN)

Subsection B. 3. Statement of Objectives and Development Program, Including  
Property to be Acquired – **Changed**

By including in this Redevelopment Plan a list of Property That May Be Acquired, the Minneapolis Community Development Agency is signifying that it is interested in acquiring the property listed, subject to limitations imposed by availability of funds, developer interest, staging requirements, soil contamination and other financial and environmental considerations. Inclusion on this list does not indicate an absolute commitment on the part of the Agency to acquire a property.

The list of Property That May be Acquired is amended to include:

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## **MINNEAPOLIS CITY PLANNING DEPARTMENT REPORT**

### **Redevelopment and Tax Increment Financing Plans**

**DATE:** February 20, 2003

**PROJECT NAME:** Modification #5 to the West Broadway Redevelopment Plan and  
Modification #94 to the Common Development and  
Redevelopment and Common Tax Increment Finance Plan

**SUBMITTED BY:** MCDA

**CONTACT PERSON and PHONE:** Judy Cedar, 673-5025

**PLANNING STAFF and PHONE:** Fred Neet, 673-3242

**WARD:** 5

**NEIGHBORHOOD GROUP:** Northside Residents Redevelopment Council

#### **PROJECT DESCRIPTION:**

A potential developer has inquired about combining 1101 and 1105 West Broadway plus the parking lot at 1827 Emerson Avenue North for retail and commercial-office lease space, presumably involving demolition and new construction. 1101 and 1827 are already owned by MCDA; 1101 was tax-forfeited in 1992. [1827 is listed on city records and the attached map as 1831 Emerson Avenue North.]

Modification #5 only adds 1105 West Broadway as possible acquisition by the MCDA to the existing West Broadway Redevelopment Plan, as modified. This plan has been approved five times already.

Modification #94 only accommodates Modification #5.

No other information is provided.

#### **COMPREHENSIVE PLAN:**

West Broadway east of Penn Avenue is designated a Commercial Corridor in The Minneapolis Plan.

Two of the eight City goals are

- 4. Create strong vital commercial corridors city-wide through mixed use development, including a variety of businesses and creative housing.**

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**5. Improve public transportation to get people to jobs, school and fun.**

Other relevant policies from The Minneapolis Plan include:

- 1.9 Minneapolis will work to enhance the appeal of city living by improving residents' actual and perceived sense of safety and security.**
- 1.10 Minneapolis will continue to support community based initiatives to assure safety and to prevent crime in neighborhoods.**
- 2.1 Minneapolis will increase its share of economic prosperity in the region.**
- 2.2 Minneapolis will support the existing economic base by providing adequate land and infrastructure to make city sites attractive to businesses willing to invest in high job density and low impact, light industrial activity.**
- 2.3 Minneapolis will continue to provide high quality physical infrastructure to serve the needs of business.**
- 2.8 Minneapolis will develop the existing economic base by emphasizing business retention and expansion.**
- 2.9 Minneapolis will strengthen long-term confidence in the economy by building innovative public to private sector partnerships.**
- 4.1 Minneapolis will encourage reinvestment along major urban corridors as a way of promoting growth in all neighborhoods.**
- 4.2 Minneapolis will coordinate land use and transportation planning on designated Community Corridors streets through attention to the mix and intensity of land uses, the pedestrian character and residential livability of the streets, and the type of transit service provided on these streets.**
- 4.3 Minneapolis will support development in Commercial Corridors where it enhances the street's character, improves its ability to accommodate automobile traffic and foster pedestrian movement, and expands the range of goods and services offered.**
- 4.4 Minneapolis will continue to provide a wide range of goods and services for city residents, to promote employment opportunities, to encourage the use and adaptive reuse of existing commercial buildings, and to maintain and improve compatibility with surrounding areas.**
- 7.7 Minneapolis will provide clean and ready to develop sites for business activity occurring within the city's boundaries.**
- 8.1 Minneapolis will maintain and enhance the elements of a responsive transportation system through balancing the interests of economic development and neighborhood livability.**
- 8.2 Minneapolis recognizes that most city streets continue to be places where people live and work, and secondarily function as methods of moving vehicles;**

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reconciling inherent conflicts will require collaboration and compromise among stakeholders.

- 8.4 Minneapolis will continue to build, maintain and require a pedestrian system which recognizes the importance of a network of private and public sidewalks which achieve the highest standards of connectivity and amenity.**
- 8.5 Minneapolis will strengthen the transportation system in favor of transit alternatives in order to make transit a better choice for a range of transportation needs.**
- 8.6 Minneapolis will follow a policy of “Transit First” in order to build a more balanced transportation system than the current one.**
- 8.7 Minneapolis will direct its share of regional growth to areas well served by transit, to existing and potential growth centers and along transit corridors.**
- 8.8 Minneapolis will continue to aggressively pursue transit improvements in corridors which serve major transit origins and destinations, with the eventual goal of a region wide Light Rail Transit (LRT) system.**
- 9.6 Minneapolis will work with private and other public sector partners to invest in new development that is attractive, functional and adds value to the physical environment.**
- 9.10 Minneapolis will support efforts that recognize both the increased visibility and importance of corner properties and the role of gateways in enhancing traditional neighborhood character.**
- 9.24 Minneapolis will support continued growth in designated commercial areas, while allowing for market conditions to significantly influence the viability of a commercial presence in undesignated areas of the city.**

**FUTURE RELATED ACTIONS:** redevelopment shall require numerous building permits and their associated zoning approvals.

**ACTION REQUESTED OF THE CITY PLANNING COMMISSION:** The MCDA requests that the City Planning Commission comment on the redevelopment plans by March 4, at which time the Community Development Committee will conduct a public hearing.

**COMMENTS AND FINDINGS:**

Redevelopment of vacant and surface parking is a distinct value for the City, and a particular value for the commercial and transit corridor of West Broadway, which also serves as an important pedestrian corridor. While not further defined, retail and office uses on the corner of West Broadway and Emerson Avenue is consistent with The Minneapolis Plan.



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**RECOMMENDED ACTION:**

The Planning Department recommends that the City Planning Commission forward this report to the City Council via the Minneapolis Community Development Agency.